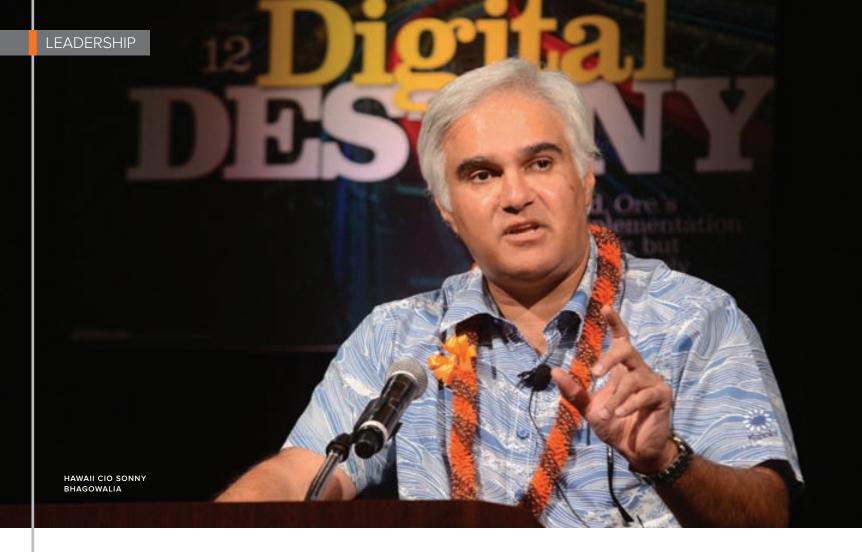
VOL 26 ISSUE2 | FEBRUARY 2013 SOLUTIONS FOR STATE AND LOCAL GOVERNMENT INSIDE **DIY Government:** Smart civic engagement strategies **Picture This:** Cops catch crooks with Pinterest Hawaii's Tech **Overhaul**

Will the chief innovation officer really transform government?

govtech.com a publication of e.Republic



Transformation in Paradise

A transparent process and public support drive a technology overhaul 30 years in the making in Hawaii.

By Noelle Knell / Staff Writer

ccording to the E-Government Satisfaction Index, conducted by consumer analytics firm ForeSee, three out of four citizens prefer to deal with their government online, as opposed to in person. Several federal agencies actually outrank well known private-sector e-retailers like Amazon on consumer satisfaction with online transactions. "By any measure, many government agencies are now outpacing their private-sector rivals, which is a development that very few thought likely," the report concludes.

Those are the kinds of results Hawaii CIO Sanjeev "Sonny" Bhagowalia hopes to bring to the state by implementing his "online versus in line" vision for service delivery. Named the state's first CIO in summer 2011, he brings a resumé that includes 14 years at Boeing, as well as key roles in the federal government, most recently leading e-government programs for the General Services Administration.

For a small state, Hawaii has some significant challenges ahead. Leaders confess that the fragmented physical nature of the islands has led to a disjointed system of technology infrastructure. Service delivery relies on disparate legacy systems past their prime with business processes to match. With maintenance costs for these aging systems growing every year, most agree that Hawaii is in desperate need of a technology overhaul. The good news is that the state seems well positioned to deliver.

Seeking the Best Ideas

An avid proponent of open government, Bhagowalia last year released a 1,432-page document designed to make up for 30 years of underfunding for technology. The Technology/Information Resource Management Transformation Plan sets an ambitious agenda stretching over the next 12 years, focusing on the transformation of Hawaii's business processes, information resource management and IT.

The plan was opened for public comment, in order to gather some feedback on the strategy going forward.

"I feel like when you put the ideas out there, you benefit from clearly articulating a vision, but also incorporating changes and ideas from citizens, academia, industry and other government agencies," Bhagowalia said. While officials expected more comments than they actually received, Bhagowalia said it was indicative of island culture, where people tend to be more comfortable conveying their ideas behind the scenes. While some reviewers expressed a preference for a certain type of technology architecture over another, the state chose to keep the plan vendor neutral. Most people who commented, publicly and privately, relished the chance to weigh in on the plan and validated that its contents represented a solid foundation for the state.

Business Processes Transformed

As its name would imply, Hawaii's Technology/Information Resource Management Transformation Plan takes on more than just technology. In order to effectively transform, hundreds of business processes across 18 state agencies will be modernized, using off-the-shelf technology whenever possible to keep costs under control.

But the technology is a means to enable more efficient business processes, rather than the end game — an important distinction, according to Bhagowalia. "My job is to help the purveyors and the consumers of information get it from the providers of the information, and technology is a vessel to make that happen."

Shared and Consolidated Services

Lacking a statewide Chief Information Office until Bhagowalia's appointment, technology services in Hawaii have until now been fragmented and spread inefficiently throughout the state. The transformation plan pushes shared IT services and infrastructure. Ultimately Bhagowalia envisions something akin to initiatives in Michigan and Utah, where technology functions operate like a utility, reducing duplication and complexity while enhancing reliability and service levels.

Transparent Government

In line with Gov. Neil Abercrombie's vision for open government, the transformation plan outlines several strategies to improve transparency. The state's recent launch of an open data portal, as well its participation in opendata.gov, the federal government's multi-jurisdictional data site, provide evidence of this commitment.

An open data initiative aims to also encourage citizen engagement in problem-solving.

Service-Oriented Portal

Today the state provides 150 different citizen services, but less than 5 percent of them are online. Bhagowalia would like to see all citizen-facing services online. A new state website, my.hawaii. gov, will allow Hawaiians to completely customize how they interact online with the state, based on the services they need. Mobile devices also factor heavily into Hawaii's strategy, as the plan lays out the intent to have all services and information available securely, from any device.

Phased Process with Built-In Wins

While the plan stretches over 12 years in total, it recommends a phased yet flexible approach that offers opportunities for successes at regular intervals. Transparent progress tracking throughout the implementation process will measure customer satisfaction and allow for midstream course corrections.

Bhagowalia emphasized that the most significant and transformational change is impacting the organizational culture of the state's 41,000-strong workforce. A change of this magnitude requires constant internal communication, and a commitment to empowering the workforce to assume ownership of its business areas and help advance a customer-focused vision of positive change.

Feedback on the plan while still in its draft stage underlined the need for a cultural change to implement the transformation successfully.

"The stumbling block to transformation in Hawaii is culture, not just in government but in the community in general. I'm glad to see that the IT/IRM Strategic Plan recognizes that it is proposing a cultural shift," one reviewer noted.

Budget Bump

Modernizing the business operations and technology operations of a state is bound to be a costly proposition. Bhagowalia secured a \$25 million budget allocation in 2011, a supplemental budget year, which went toward plan development. Support from Abercrombie as well as the state Legislature is critical to the plan's success, and Bhagowalia is optimistic that it will continue through the next phase: execution.

He explained that IT has been grossly underfunded in Hawaii for the past three decades, and transformation will require an increased share of the state's \$11 billion budget. Historically 1.4 percent of the budget has been devoted to IT. While he said an industry best practice is a funding level of 3 to 5 percent, implementation of needed changes for Hawaii will require an increase to about 2.4 percent, sustained over the duration of the implementation period.

"Thirty years of under funding can be fixed in 10 years of at least funding at an appropriate level," he said. Despite tough budget times across the board in state government, he remains optimistic that it can be achieved, admitting that failure to fund at that 2.4 percent level will impact implementation.

"I believe the plan will survive and endure," Bhagowalia concluded. "I think the people of Hawaii want this." (1)

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\$11 BILLION state budget

1.4 MILLION residents

41,000 government workforce

108 attached agencies

18 State departments

36 lines of business

220 business functions (150 of which are citizen services) 743 legacy systems